THE MINISTER FOR ENVIRONMENT AND FORESTS (SHRI Z. R. ANSARI): (a) and (b) Large scale denudation of forests is one of the reasons for water scarcity in the area during dry season. The soil fertility is adversely affected due to this reason.

(c) Yes, Sir.

(d) Following steps have been taken by the Government to check ecological degradation:

(1) A project of Ecological Restoration of Cherrapunji is under implementation since 1984. The project components are creation of nursery with indigenous species, plantation in the most difficult or refractory areas, creation of windbreak shelters, avenue or roadside plantation and establishment of green block. Rs. 310.60 lakhs were allocated for five years, 1984—89.

(2) Suitable technique of planting in the extremely heavy rainfall area and refractory sites has been identified. As a follow up action, afforestation under the State Scheme has been taken up as block plantation and along the road sides.

(3) Guidelines were issued to State Governments:

(i) to avoid clear felling of natural forests and where such fellings are inevitable for restoration of crop or other silvicultural considerations, it should be restricted to areas not exceeding 10 hectares in the hills and 25 hectares in the plains;

(ii) to consider banning of fellings in the hills above 1000 meters at least for some years; and

(iii) to identify critical areas in the hills and mountains which require protection from felling of forests and need immediate vigorous afforestation.

(4) The Forest (Conservation) Act, 1980, is implemented strictly to check diversion of forest land to non-forest purposes.

(5) Meghalaya is one of the States which is getting assistance under the Central Sector Scheme for control of shifting (jhumming) cultivation taken up in the Seventh Five Year Plan with an allocation of Rs. 45.5 crores.

Amendment of Direct Tax Laws

2408. SHRI YALLA SESI BHUSHANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to introduce the Direct Tax Laws (Amendment) Bill during the current Session of Parliament; and

(b) whether Government propose to direct the Department of Revenue to issue a public notification at an early date in accordance with the statement of the Minister of State for Revenue in Parliament on September 5th to the effect that the tax payers could take into account the effect of incentives and concessions announced in the last Budget Session?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) Does not arise in view of answer to part (a) above.

Deemed Exports Schemes

2409. SHRI D. B. CHANDRE GOWDA: Will the Minister of COMMERCE be pleased to state:

(a) what are the salient features of the "Deemed Export Scheme" and its cope of application to the foreign and

Indian Voluntary Agencies for the purchase of materials and equipments for development projects;

(b) what benefits/concessions in the matter of excise duty and sales tax etc. are allowed to the beneficiary Voluntary Agencies for the purchase of goods and machinery for their welfare projects under this scheme; and

(c) whether the provision of some more concessions are being contemplated by Government under this scheme to encourage foreign Voluntary Agencies to participate in the development programmes in the country and if so, the nature of concessions likely to be offered?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) to (c) Salient feature of the Demed Export Policy and the benefits admissible under the Import Replenishment Schemes are contained in Chapter XVI of the Import-Export Policy, 1988—91.

Supplies made in India to Charitable Organisations in the field of health/special welfare/education/rural development against payment in free foreign exchange from foreign Governments/Organisations are also eligible to Supplementary Cash Assistance in lieu of duty drawback and additional Cash Compensatory Support in lieu of terminal excise duty wherever admissible subject to fulfilment of certain conditions.

No change is contemplated at present.

Self-reliance in economy

2410. **SHRI SUNIL BASU RAI**: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that transfer of assets to developed countries is growing;

(b) if so, what is the annual amount and rate thereof;

(c) whether Government are taking steps to regulate it with a view not to jeopardize the self-reliance of the economy; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Rising debt service and the cut in lending has led, since 1984, to net resource transfers (gross disbursement of long-term loans and other financial flows minus debt service payments) from developing countries as a group, to developed countries According to 1987-88 edition of the World Debt Tables issued by the World Bank, such negative transfers from developing to developed countries had amounted to $ 7.3 billion in 1984, $ 20.8 billion in 1985, $ 30.7 billion (preliminary) in 1986 and $ 29.0 billion (estimates) in 1987.

(c) and (d) In the case of India net transfer of financial resources from abroad continues to be positive. India's dependence on external financial resources for its investment requirements is not large in relation to the size of her economy and in comparison with many developing countries. However, for keeping the external payments liability within prudent limits, fresh external borrowings are being contracted keeping in view the emerging debt service position of the country.